BGM-1: Contributor Compensation

Background:

In previous quarters, Beanstalk core contributors have had the opportunity to Sow an arbitrary percentage (0-100%) of their allocated pay in Beans, regardless of the amount of outstanding Soil. During Beanstalk's first six months of development, this compensation model was encouraged because it provided contributors with an opportunity to earn potential upside, but also aligned incentives between the community and the core team by creating "skin in the game".

Concerns:

Some community members have raised concerns about this form of payment going forward. The concerns revolve around two potential issues:

1. The number of Pods that would be added to the Pod Line given the increased size of the Q2 Budget, and;
2. The practice of paying employees in Pods in a Soil-scarce environment may be perceived as core contributors receiving unfair access to Soil at the expense of the broader community.

Concern 1: Pod Line Increase

Roughly 50% of Q1's payroll budget was paid in Pods and thus far, most contributors are requesting similar allocations for Q2. Given a very rough and unofficial estimated April 1st Weather of ~6500%, would result in ~40,000,000 Pods (or ~6% of the current Pod Line) created to fund Q2 compensation. Even with the estimated 2,000,000 total budget, which will increase the Bean supply by ~5%, the Pod Rate will increase slightly in these circumstances.

Concern 2: Perceived Fairness

Beanstalk was deployed with a truly fair launch. It is Beanstalk Farm's ultimate intention to maintain that ethos in every element of its work, including in the compensation of its core contributors. As a development organization, it is critical to not only adequately reward staff for the risk they take in working for a young protocol, but to continue serving the needs of the Beanstalk community. We want to ensure that our compensation structure doesn't violate either of those goals, and recognize that providing staff with access to Pods when there is no Soil constitutes an inherent advantage.

Result:

We'd like to prompt a principled, open community discussion ahead of the Q2 Budget BIP, which we hope to propose in the next week or less, to optimize along the following axes:

- Protocol fairness and community satisfaction;
- Contributor retention and satisfaction; and
- Debt management and perceived health of the protocol.

Options:

1. No change to the current structure, allowing contributors to Sow an arbitrary percentage (0-100%) of their quarterly compensation even when there is no Soil.
2. A maximum of X Pods for core contributor compensation for the quarter (maybe ~20,000,000 Pods as a number to start discussion). Depending on how many contributors request a maximum allocation of Beans, this would equate to roughly 30% Pods / 70% Beans per contributor.
3. Core contributors receive their entire compensation in Beans and may Sow in the Field as any other user would.

Note: Option 3 was chosen.